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Hiram City Council Weighs in on State Transportation Tax

Hiram, Georgia – February 13, 2015 – For those who have been following what is going on under the Gold Dome this legislative session or have tuned into radio or televised news programs, you have likely heard of House Bill 170 (HB170), Transportation Funding Act of 2015. HB 170 is aimed at helping the State of Georgia raise additional revenue to address transportation needs at the costs of local tax payers. The Hiram City Council is not taking this issue lightly and has passed a Resolution presented by our city manager at a special called meeting on February 10th to officially and with 100% consensus oppose this hasty and one-sided legislation.

Essentially, this legislation will reduce sales tax collected by local governments on motor fuel taxes for non-transportation purposes. These are the dollars that spent right here in our City. If motor fuel is removed or exempted from local sales taxes, the City of Hiram will lose a significant source of revenue it needs to provide transportation related services. And since the City rolls the millage rate back to zero and does not impose property taxes, the City relies on this and other sources of revenue to serve our City.

Hiram has already spent \$1,474,692 from SPLOST on capital improvements in the area of streets, roads and bridges over the last three years and is expected to spend another \$1,739,838 over the next three years. If HB 170 passes and is signed by the Governor, our City would lose approximately \$165,741 per year in SPLOST to dedicate to transportation improvements. Furthermore, the City of Hiram spends over \$100,000 every year from its General Fund for maintenance and operations of municipal roads, streets and bridges. The mere suggestion that Georgia's local governments are not making substantial investments toward transportation projects is erroneous and flawed thinking.

On your behalf, the Hiram governing body strongly opposes any recommendation or measure to reduce the allocation of sales tax funding to local governments. A signed copy of this Resolution has been forwarded to each member of the local delegation to the Georgia General Assembly and the Georgia Municipal Association.